

DRAFT

SUMMARY

Extends time after special district territory election for entry of order and return of deposits.

A BILL FOR AN ACT

Relating to special district proceedings; amending ORS 198.775 and 198.820.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 198.775 is amended to read:

198.775. (1) A petition for formation, annexation, withdrawal or dissolution shall not be accepted for filing unless the petition is accompanied by a bond, a cash deposit or other security deposit as follows:

(a) The bond shall be in a form and in an amount approved by the county board, not to exceed \$100 for each precinct in the affected district and any territory to be included in the district, up to a maximum of \$10,000. The bond shall be conditioned that, if the attempted formation, annexation, withdrawal or dissolution is not effected, the chief petitioners will pay the costs thereof, excluding any costs incurred by a local government boundary commission under ORS 199.410 to 199.519.

(b) The cash deposit shall be in an amount approved by the county board, not to exceed \$100 for each precinct in the affected district and any territory to be included in the district, up to a maximum of \$10,000. The cash deposit shall be accompanied by a form prescribed by the Secretary of State. The form shall include the names and addresses of all persons and organizations providing any part of the cash deposit and the amount provided by each, and a statement signed by the chief petitioners that if the costs of the attempted

1 formation, annexation, withdrawal or dissolution exceed the deposit, the
2 chief petitioners shall pay to the county treasurer the amount of the excess
3 costs.

4 (c) The security deposit other than a bond or cash deposit shall be of a
5 kind and in an amount approved by the county board, not to exceed \$100 for
6 each precinct in the affected district and any territory to be included in the
7 district, up to a maximum of \$10,000. The security deposit shall be accom-
8 panied by a form prescribed by the Secretary of State. The form shall include
9 the names and addresses of all persons and organizations providing any part
10 of the security deposit and the amount and kind provided by each, and a
11 statement signed by the chief petitioners that if the costs of the attempted
12 formation, annexation, withdrawal or dissolution exceed the security depos-
13 ited, the chief petitioners shall pay to the county treasurer the amount of
14 the excess costs.

15 (2) If the proposed formation, annexation, withdrawal or dissolution is
16 effected, the district shall be liable for the costs. Not later than [*the 30th*
17 *day after the election*] **45 days after the results of the election are certi-**
18 **fied**, if a cash deposit or security deposit other than a bond was made under
19 subsection (1) of this section, the county clerk shall refund the deposit to the
20 persons who made the deposit.

21 (3) If the proposed formation, annexation, withdrawal or dissolution is not
22 effected, the county shall collect the costs of the attempted formation,
23 annexation, withdrawal or dissolution as follows:

24 (a) If the chief petitioners posted a bond, the county shall collect on the
25 bond.

26 (b) If the chief petitioners made a cash deposit, not later than [*the 30th*
27 *day after the election*] **45 days after the results of the election are certi-**
28 **fied**, the county clerk shall pay into the general fund of the county that
29 portion of the deposit needed to reimburse the county for the costs. If any
30 portion of the deposit remains after the costs have been paid, the county
31 clerk shall refund the portion to the persons shown on the form filed under

subsection (1) of this section as having made the deposit. If the costs exceed the amount of the deposit, the chief petitioners shall pay to the county treasurer the amount of the excess costs.

(c) If the chief petitioners made a security deposit other than a bond or cash deposit, not later than *[the 30th day after the election]* **45 days after the results of the election are certified**, the county clerk shall negotiate or otherwise collect on as much of the security deposit as necessary to reimburse the county for the costs and shall pay the proceeds into the general fund of the county. If any portion of the security deposit or any proceeds of the security deposit remain after the costs have been paid, the county clerk shall return the portion or the remaining proceeds to the persons shown on the form filed under subsection (1) of this section as having made the deposit. If the costs exceed the amount of the proceeds, the chief petitioners shall pay to the county treasurer the amount of the excess costs.

(4) Notwithstanding subsection (1) of this section, the costs of proceedings initiated by a county or district board, excluding costs incurred by a local government boundary commission under ORS 199.410 to 199.519, shall be paid by the initiating board out of county or district funds.

SECTION 2. ORS 198.820 is amended to read:

198.820. (1) After the election if any is held, if it is determined by the county board that the majority of the votes cast were in favor of formation of the district, the board shall enter an order establishing and forming the district. If a majority of the votes cast oppose the formation of the district, the board shall enter an order dismissing the petition. The order shall be entered within *[30 days after the date of the election]* **15 days after the results of the election are certified**. The county board shall also canvass the votes for members of the district board and, if formation of the district is approved, cause the county clerk to issue certificates of election to the number of persons, equal to the number of board members named in the petition for formation, receiving the highest number of votes.

(2) After the date of the formation order, the inhabitants of the territory

1 within the district shall be a municipal corporation to be known by the name
2 specified in the order, and as such shall have perpetual succession, and by
3 such name shall exercise and carry out the corporate powers and objects
4 conferred by the principal Act of the district.

5 (3) An order creating a district, whether the district is formed with or
6 without an election, shall state the name and purpose of the district, describe
7 its boundaries, and declare the district formed. From the date of the forma-
8 tion order the district shall be considered established.